



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
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<http://emnr.state.nm.us/ocd/District III/3distric.htm>

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

December 18, 1998

Ms Peggy Bradfield
Burlington Resources O&G Co
PO Box 4289
Farmington NM 87499-4289

Re: San Juan 32-9 Unit #41A, P-31-32N-09W API# 30-045-29129, DHC

Dear Ms Bradfield:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

| | Gas | Oil |
|-----------------|-----|-----|
| Mesaverde | 63% | 71% |
| Pictured Cliffs | 37% | 29% |

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

cc: Jim Lovato-Farmington BLM
David Catanach-NMOCD Santa Fe
well file

329#41a-dhc

**BURLINGTON
RESOURCES**

SAN JUAN DIVISION

November 14, 1998

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Re: San Juan 32-9 Unit #41A
Unit P, Section 31, T-32-N, R-9-W, San Juan
30-045-29129

RECEIVED
NOV 16 1998
OIL CON. DIV.
DIST. 3

Gentlemen:

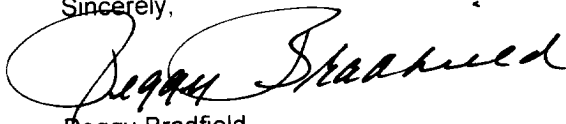
The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1492 was issued for the commingling. The following allocation formula is submitted for your approval:

| | | |
|-------------------|----------|----------|
| Mesa Verde - | 63 % gas | 71 % oil |
| Pictured Cliffs - | 37 % gas | 29 % oil |

These percentages are based on historic production from both the Mesa Verde and Pictured Cliffs.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

San Juan 32-9 Unit #41A
Unit P, Section 31, 32N – 9W
San Juan County, New Mexico

Production Allocation

Commingle Date: 5/14/97

GAS

Pre-Commingle Rates (4/97)

| | | |
|------------------------|------------|--------------|
| Mesaverde Rate: | 166 | MCF/D |
| Pictured Cliffs Rate : | <u>166</u> | <u>MCF/D</u> |
| Total: | 332 | MCF/D |

| | |
|--|-------------|
| Post Commingle Total Production (6/97) = | 446 MCF/D |
| Uplift | = 114 MCF/D |

Post Commingle Rates (Allocated):

| | | |
|----------------------|-----------|-----|
| Mesaverde Rate | 280 MCF/D | 63% |
| Pictured Cliffs Rate | 166 MCF/D | 37% |

OIL

| | | |
|-----------------------------|----------------|------------|
| Mesaverde Production: | 1479 bbl | 71% |
| Pictured Cliffs Production: | <u>615 bbl</u> | <u>29%</u> |
| Total: | 1479 bbl | 100% |

When this well was commingled, a piece of a swab mandrel was found in the F-Nipple of the Mesaverde string of tubing. This piece of a mandrel was restricting the flow from the Mesaverde. Therefore, the past production is not valid for allocation purposes. To determine the allocation percentages, all the uplift, from the commingle, was given to the Mesaverde. The pre-commingle rates were the daily average from the month of April 1997, and the post commingle rate was the daily average from the month of June 1997. The uplift was added to daily average from April for the post commingle rate for the Mesaverde. The rate for the Pictured Cliffs remained the same.